



BAC 7710-FW-P

POSTAL REGULATORY COMMISSION

39 CFR Part 3020

[Docket No. RM2019-3; Order No. 5140]

Mail Classification Schedule

AGENCY: Postal Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Commission adopts final rules that require the Postal Service to provide additional information when it proposes updates to the size and weight limitations applicable to market dominant mail matter.

DATES: *Effective:* **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].**

ADDRESSES: For additional information, Order No. 5140 can be accessed electronically through the Commission's Web site at <https://www.prc.gov>.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Background

On May 8, 2019, the Commission proposed changes to 39 CFR 3020.111(a) to include the requirement that the Postal Service describe how a proposed update to a size or weight limitation would impact competitors and users of the product(s). The Commission also proposed a requirement that the Postal Service explain how a size and weight limitation change is in accordance with the policies and applicable criteria of chapter 36 of title 39 of the United States Code. After consideration of the comments submitted, the Commission adopts final rules.

II. Basis and Purpose of the Final Rule

The Commission initiated this proceeding to evaluate whether changes to Mail Classification Schedule provisions that, in effect, add products to, remove products from, or transfer products between product lists are changes that implicate the requirements of 39 U.S.C. 3642. The Commission sought comments from interested parties on whether it should update its regulations to require information pursuant to section 3642 when changes to the size and weight limitations appear to modify the product lists.

After consideration of the comments submitted, the Commission finds that the amendments to 39 CFR 3020.111(a) strike the appropriate balance between requiring additional information to adequately assess the potential effects of a size and weight limitation change, without being unduly burdensome to the Postal Service. Moreover, the Commission finds that the proposed amendments are sufficient for the Commission to analyze whether a proposed size and weight

limitation change would involve unreasonable price increases, unreasonable discrimination, or any other material harm to users and competitors. Although both the Greeting Card Association and the Association for Postal Commerce expressed concern regarding the scope of the rules and possible impacts on volume, both commenters noted that the Commission could address those concerns via proposed sections 3020.111(a)(2) and (3). Accordingly, the Commission adopts the revisions to 39 CFR 3020.111(a).

Final Rules

The Commission amends the rules for updating size and weight limitations in 39 CFR part 3020.

List of Subjects for 39 CFR Part 3020

Administrative practice and procedure, Postal Service.

For the reasons stated in the preamble, the Commission amends chapter III of title 39 of the Code of Federal Regulations as follows:

PART 3020—PRODUCT LISTS

1. The authority citation for part 3020 continues to read as follows:

Authority: 39 U.S.C. 503, 3622, 3631, 3642, 3682.

2. Amend § 3020.111, by revising paragraph (a) to read as follows:

§ 3020.111 Limitations applicable to market dominant mail matter.

(a) The Postal Service shall inform the Commission of updates to size and weight limitations for market dominant mail matter by filing notice with the

Commission 45 days prior to the effective date of the proposed update. The notice shall:

- (1) Include a copy of the applicable sections of the Mail Classification Schedule and the proposed updates therein in legislative format;
- (2) Describe the likely impact that the proposed update will have on users of the product(s) and on competitors; and
- (3) Describe how the proposed update is in accordance with the policies and the applicable criteria of chapter 36 of title 39 of the United States Code.

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By the Commission.

Ruth Ann Abrams,

Acting Secretary.

[FR Doc. 2019-14275 Filed: 7/5/2019 8:45 am; Publication Date: 7/8/2019]